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# APPLICATION FOR FINANCIAL ASSISTANCE

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## Oneida County Industrial Development Agency

584 Phoenix Drive  
Rome, New York 13441-1405  
(315) 338-0393 telephone  
(315) 338-5694 fax

Shawna M. Papale, Executive Director

*A non-refundable application fee of \$500.00 must be submitted at the time of application and a \$1000 commitment fee that will be submitted at the time of application and the \$1000 commitment fee will be applied at closing.*

*Please submit the original application and sixteen copies.*

*All applications must be submitted 10 days prior to meeting.*

Family Dollar Services, Inc.

Name of Applicant

Number (to be provided by the agency)

### ***Note to Applicant:***

The information requested by this form is necessary to determine the eligibility of your project for Agency benefits. Please answer **all** questions, inserting "none" or "not applicable" where appropriate. If you are providing an estimate, please indicate by inserting "est" after the figure. Attach additional sheets if more space is needed for a response than is provided.

Return the original application and sixteen copies with a check in the amount of \$1500.00 made payable to: **Oneida County Industrial Development Agency (OCIDA)**, 153 Brooks Road, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director. \$1000 will be applied at closing against the IDA legal fees.

All information contained in this application will be treated confidentially, to the extent permitted by law. Be advised that any action brought before the OCIDA is public information. All agenda's for the OCIDA are issued prior to full agency meetings and posted in public domain.

By signing and submitting this Application, the Applicant acknowledges that it received a copy of the Uniform Tax Exemption Policy and the Oneida County IDA Penalty for Failure to Meet Employment Levels as adopted by the Agency and Agency Memorandums pertaining to the benefits of projects financed through the Agency.

A project financed through the Agency involves the preparation and execution of significant legal documents. Please consult with an attorney before signing any documents in connection with the proposed project. You will receive an engagement letter from the OCIDA legal counsel. You will be asked to sign the engagement letter acknowledging you understand the legal fees you will be responsible for them and also acknowledge the process is. Should you not close and legal services have been rendered by the OCIDA legal counsel, your company will be responsible for those costs.

If you have questions how to calculate your companies IDA application fee please consult with the Memorandum to Companies Sale – Leaseback Transactions or please contact the IDA Executive Director. .

**Part I: Applicant Information**

**Note:** In responding to the following questions, please keep in mind that the Applicant will be party to all of the documents and is the individual or entity which will receive the actual financial assistance from the Agency.

**Applicant**

1(a) Applicant's Legal Name: Family Dollar Services, Inc.  
PO Box 1017

1(b) Principal Address: \_\_\_\_\_  
Charlotte, NC 28201  
\_\_\_\_\_

1(c) Telephone/Facsimile Numbers: \_\_\_\_\_  
704- 847-6961 (phone)  
704-849-2011 (fax)

1(d) Email Address: \_\_\_\_\_  
DSTYKA@familydollar.com  
56-1744955

1(e) Federal Identification Number: \_\_\_\_\_  
David R Styka

1(f) Contact Person: \_\_\_\_\_

1(g) Is the Applicant a

- Corporation:  
If yes, Public  Private   
If public, on which exchange is it listed?  
NYSE-Family Dollar Stores, Inc (ultimate parent company – traded as FDO)
- Subchapter S
- Sole Proprietorship
- General Partnership
- Limited Partnership
- Limited Liability Corporation/Partnership
- DISC
- Other(specify) \_\_\_\_\_

North Carolina

1(h) State of Organization (if applicable) \_\_\_\_\_

**Applicant's Stockholders, Directors and Officers (or Partners)**

2(a) Provide the following information with respect to parties with 15% or more in equity holdings:

<u>Name</u>	<u>Home Address</u>	<u>Social Security No.</u>	<u>Percentage of Ownership</u>
Family Dollar Stores, Inc.		56-0942963	100%

2(b) Is the Applicant, or any of the individuals listed in 2(a) above, related directly or indirectly to any other entity by more than 50% common ownership? If so, indicate name of such entity and the relationship.

All entities are 100% owned (directly or indirectly) by Family Dollar Stores, Inc (See **Attachment 2**)

2(c) Is the Applicant affiliated with any other entity, directly or indirectly, other than as listed in the response to 2(a) above? If yes, please indicate name and relationship of such other entity and the address thereof:

See 2(b) above

**Applicant's Counsel and Accountant**

**3(a). Applicant's Attorney**

Name/Title: Heather Adams, Asst General Counsel & Asst Sec  
Family Dollar Stores, Inc  
Firm: \_\_\_\_\_  
PO BOX 1017  
Address: \_\_\_\_\_  
Charlotte, NC 28201-1017  
\_\_\_\_\_  
704-847-6961  
Telephone/Fax: \_\_\_\_\_  
\_\_\_\_\_

**3(b) Applicant's Accountant**

Name/Title: David R Styka-VP-Finance  
Family Dollar Stores, INC.  
Firm: \_\_\_\_\_  
PO BOX 1017  
Address: \_\_\_\_\_  
Charlotte, NC 28201-1017  
\_\_\_\_\_  
704-847-6961  
Telephone/Fax: \_\_\_\_\_  
\_\_\_\_\_

**Business Description**

4(a) Describe the nature of your business and principal products and/or services. Attach additional sheets if necessary.

See **Attachment 1**

**Part II: Project Information**

5(a) Explain your project in detail. This description should include explanation of all activities which will occur due to this project. Attach additional sheets if necessary.

See **Attachment 1**

**Reasons for Project**

6(a) Please explain in detail why you want to undertake this project.

See **Attachment 1**

6(b) Why are you requesting the involvement of the Agency in your project?

The existing PILOT agreement in place does not provide the same economic incentive intended in original agreement. (**See Attachment 1 & 4** for additional information)

6(c) How will the Applicant's plans be affected if Agency approval is not granted?

The Company will not receive the property tax abatement as intended in the original PILOT Agreement.

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6(d) Is the proposed project reasonably necessary to discourage the Applicant from removing such other plant or facility to a location outside the State of New York?  
 Yes  No **If yes, please explain briefly.**

No facility relocation or removal is anticipated at this time

Is the proposed project reasonably necessary to preserve the competitive position of the Applicant in its respective industry?  Yes  No **If yes, please explain briefly.**

The property tax abatement provides the resources for the Company to continue operate the distribution facility at maximum efficiency.

6(e) Will financing by the Agency result in the removal or abandonment of a plant or other facility of the applicant or any related entity presently located in another area of New York State?  
 Yes  No **If yes, please explain briefly the reason for the move.**

6(f) Has the Applicant or any related entity previously secured financial assistance in Oneida County (whether through the Agency, the Empire State Development Corporation, or any other entity)?  Yes  No  
If yes, please explain (indicate date of benefit, location of facility and outstanding balance).

The Company located this distribution facility in Rome, NY in part based on various incentives offered to the Company (PILOT, QEZE, Wage Credits, Training Grants, and Sales & Use Tax Abatements).

6(g) Has the Applicant or any related entity secured financial assistance anywhere within the United States within the last 90 days or does the Applicant or any related entity anticipate receiving financial assistance within the next 90 days?  Yes  No  
If yes, please explain.

6(h) Check all categories best describing the **type of project**:

- Manufacturing
- Industrial Assembly or Service
- Research and Development
- Warehousing
- Commercial or Recreational
- Pollution Control (specify) \_\_\_\_\_
- Other (specify) \_\_\_\_\_

6(i) Check all categories best describing the **scope of the project**:

- Acquisition of land
- Acquisition of existing building
- Renovations to existing building
- Construction of addition to existing building
- Demolition of existing building
- Construction of a new building
- Acquisition of machinery and/or equipment
- Installation of machinery and/or equipment
- Other (specify) Continuing operation of existing distribution facility

6(j) Please indicate the financial assistance you are requesting of the Agency, and provide the estimated value of said assistance.

<b>Assistance</b>	<b>Estimated Value</b>
<input checked="" type="checkbox"/> Real Property Tax Abatement	\$__3,600,000__
<input type="checkbox"/> Mortgage Tax Exemption	\$_____
<input type="checkbox"/> Sales and Use Tax Exemption	\$_____
<input type="checkbox"/> Issuance by the Agency of Tax Exempt Bonds	\$_____



**Part III: Facility Information**

**Facility (Physical Information) If multiple locations please provide information on all.**

7(a) Street Address of Facility:  
640 Perimeter Road, Rome NY 13441  
Griffiss Business & Technology Park \_\_\_\_\_

7(b) City, Town and/or Village:  
Rome  
*(Note: It is important that you list all incorporated municipalities in which the facility lies. This information will be used in scheduling a public hearing as required by statute.)*

7(c) School District:  
Rome City School District

7(d) Tax Account Number(s):  
Parcel ID #244.000-0003-002.00  
\_\_\_\_\_  
\_\_\_\_\_

**Attach copies of the most recent real property tax bills. Include copies for all taxing jurisdiction for the site/ facility that IDA assistance is being sought.**

7(e) For what purpose was the facility site most recently used (i.e., light manufacturing, heavy manufacturing, assembly, etc.)?  
Distribution Facility

7(f) Zoning Classification of location of the project:  
P-D Planned Development District

7(g) Please describe in detail the facility to be acquired, constructed or renovated (including number of buildings, square footage, number of floors, type of construction,) and attach plot plans, photos or renderings, if available. **Please be as specific as possible.**

See **Attachment 1.**

7(h) Has construction or renovation commenced?  Yes  No

If yes, please describe the work in detail, including the date of commencement.

Facility is currently operating

If no, indicate the estimated dates of commencement and completion:

Construction commencement: \_\_\_\_\_

Construction completion: \_\_\_\_\_

7(i) Will the construction or operation of the facility or any activity which will occur at the site require any local ordinance or variance to be obtained or require a permit or prior approval of any state or federal agency or body (other than normal occupancy and/or construction permits)?

Yes  No

If yes, please describe.

7(j) Will the project have a significant effect on the environment?  Yes  No

**Important: please attach Environmental Assessment Form to this Application.**

7(k) What is the useful life of the facility? 40 years

7(l) Is the site in an Empire Zone?  Yes  No

If yes, which Empire Zone: Oneida County

Is the business Empire Zone certified at this location:  Yes  No

Attached a copy of the last Business Annual Report filed. If not certified, explain why not:

**Facility (Legal Information)**

8(a) With respect to the **present owner** of the facility, please give the following information:  
*(Note: the present owner is not necessarily the user of the facility, but that party which holds legal title to the facility.)*

Family Dollar Services

Legal Name: \_\_\_\_\_

PO Box 1017

Address: \_\_\_\_\_

Charlotte, NC 28201-1017

\_\_\_\_\_

704-847-6961

Telephone: \_\_\_\_\_

\_\_\_\_\_

Balance of Mortgage: \_\_\_\_\_

Holder of Mortgage: \_\_\_\_\_

If the Applicant is not the present owner of the facility, please attach any written agreements and contracts concerning the acquisition of the real property and/or equipment.

8(b) Is there a legal relationship, directly or indirectly, by virtue of common control or through related persons, between the Applicant and the present owner of the facility?  
 Yes  No. If yes, please explain.

The Applicant is a tenant of the Facility under lease from IDA.

8(c) Will a related real estate holding company, partnership or other entity, be involved in the ownership structure of the transaction?  
 Yes  No. If yes, please explain.

8(d) Will the title owner of the facility/ property also be the user of the facility?  
 Yes  No. If no, please explain.

8(e) Is the Applicant currently a tenant in the facility?  Yes  No

8(f) Are you planning to use the entire proposed facility?  
[ X ] Yes [ ] No

If no, please give the following information with respect to tenant(s) which will remain in the facility after the completion of the project:

<u>Name of Tenant</u>	<u>Floors Occupied</u>	<u>Square Feet Occupied</u>	<u>Nature of Business</u>
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8(g) Are any of the tenants related to the owner of the facility?  
[ ] Yes [ X ] No  
If yes, please explain.

8(h) Will there be any other users other than the applicant to the IDA be utilizing the facility?  
[ ] Yes [ X ] No  
If yes, please explain. Provide detail of the contractual arrangement including any financial exchange for the use of the site or property.

### Equipment

9(a) List the principal items or categories of equipment to be acquired as part of the project. (As soon as one is available but prior to final authorizing resolution, please submit a detailed inventory of said equipment.)

The facility is an existing operating facility. The initial equipment has been acquired and installed in the facility.

9(b) Please provide a brief description of any equipment which has already been purchased or ordered, attach all invoices and purchase orders, list amounts paid and dates of expected delivery. Attach a sheet if needed.

The facility is an existing operating facility. The initial equipment has been acquired and installed in the facility.

9(c) What is the useful life of the equipment? \_\_\_\_\_ 10 \_\_\_\_\_ years

**Part IV: Employment Information**

10(a) Estimate how many construction jobs will be created or retained as a result of this project.

Construction Jobs 0

10(b) Estimate how many jobs will be created as a result of this project.

Permanent Jobs to be created by Project at Applicant's facility \_\_\_\_\_ FTE

Average Salary of these jobs: \$ \_\_\_\_\_

10 (c) What is the applicant entity's current level of employment in Oneida County at the time of application. Please indicate in full time equivalents (FTE).

Permanent Jobs to be retained by Project at location to be assisted with the requested IDA benefits 350 FTE

Average Salary of these jobs: \$ 29,000

Other locations in Oneida County \_\_\_\_\_ FTE

Average Salary of these jobs: \$ \_\_\_\_\_

Employment in other NYS locations, list below \_\_\_\_\_ FTE

Average Salary of these jobs: \$ \_\_\_\_\_

**Part V: Estimated Project Cost and Financing**

11(a) List the costs necessary for the construction, acquisition or renovation of the facility. Do **not** include working capital needs, moving expenses, work in progress, stock in trade, Applicant's debt repayment, real estate broker fees or your legal fees.

Acquisition of Land	_____
Acquisition of Building(s)	_____
Renovation Costs	_____
New Construction of Buildings	_____
Machinery and Equipment (other than furniture costs)	_____
Fixtures	_____
Installation Costs	_____
Fees (other than your own broker and legal fees)	_____
Legal Fees (IDA legal fees, Applicant legal fees)	_____
Architectural/Engineering	_____
Interest on Interim Financing	_____
Other (specify)	_____
Subtotal	_____
<b>Agency Fee<sup>1</sup></b>	_____
Commitment Fee	<u>\$1,000.00</u>
<b>Total Project Cost</b>	_____

<sup>1</sup>See Attached Fee Schedule (Page 19) for Agency Fee amount to be placed on this line

11(b) What amount of the Total Project Cost is the Applicant requesting financing by the Agency?  
          n/a

**Real Estate Taxes**

12(a) For each tax parcel which comprises the facility, please provide the following information, using figures from the most recent tax year:

Tax Acct #	Current Assessed Value (Land)	Current Assessed Value (Building)	Real Estate Taxes
224-3-3		50,056,000	Make Pilot Payments

12(b) Address of Receiver of Town and/or Village Taxes:

City of Rome: Attn: City Treasurer  
198 North Washington St  
Rome, NY 13440

12(c) Address of Receiver of School Taxes:

Rome City School District  
112 East Thomas St  
Rome, NY 13440

12(d) Will the completion of the proposed project result in the increase of the assessment of any of the parcels named above?  Yes  No N/A

If yes, please indicate which tax account numbers will be affected.

## Financial Information

13(a) Has the Applicant contacted any bank, financial/lending institution or private investor with respect to the financing of the proposed project?

Yes  No N/A

**If yes, please provide details.**

13(b) Has the Applicant received a commitment letter for said financing?

Yes  No n/a

**If yes, please submit a copy of said commitment letter along with this Application.**

13(c) Please complete the Cost/Benefit Analysis form and attach to this Application.

Attached



## REPRESENTATIONS AND CERTIFICATION BY APPLICANT

The undersigned requests that this Application be submitted for review to the Oneida County Industrial Development Agency's Board of Directors.

Approval of the Application can be granted solely by this Agency's Board of Directors. The undersigned acknowledges that Applicant shall be responsible for all costs incurred by the Agency and its counsel in connection with the attendant negotiations whether or not the transaction is carried to a successful conclusion.

The Applicant further understands and agrees with the Agency as follows:

1. **Annual Sales Tax Filings.** In accordance with Section 858-b(2) of the New York General Municipal Law, the Applicant understands and agrees that, if the Project receives any sales tax exemptions as part of the Financial Assistance from the Agency, in accordance with Section 874(8) of the General Municipal Law, the Applicant agrees to file, or cause to be filed, with the New York State Department of Taxation and Finance, the annual form prescribed by the Department of Taxation and Finance, describing the value of all sales tax exemptions claimed by the Applicant and all consultants or subcontractors retained by the Applicant.
2. **Annual Employment Reports.** The Applicant understands and agrees that, if the Project receives any Financial Assistance from the Agency, the Applicant agrees to file, or cause to be filed, with the Agency, on an annual basis, reports regarding the number of people employed at the project site as well as tax benefits received with the action of the OCIDA.
3. **Absence of Conflict of Interest.** The Applicant has received from the Agency a list of the members, officers and employees of the Agency. No member, officer, or employee of the Agency has an interest, whether direct or indirect, in any transaction contemplated by this Application, except as herein after described:
4. **Hold Harmless.** Applicant hereby releases Oneida County Industrial Development Agency and the members, officers, servants, agents and employees thereof (the "Agency") from, agrees that the Agency shall not be liable for and agrees to indemnify, defend and hold the Agency harmless from and against any and all liability arising from or expense incurred by (A) the Agency's examination and processing of, and action pursuant to or upon, the attached Application, regardless of whether or not the Application or the Project described therein or the tax exemptions and other assistance requested therein are favorably acted upon by the Agency, (B) the Agency's acquisition, construction and/or installation of the Project described therein and (C) any further action taken by the Agency with respect to the Project; including without limiting the generality of the foregoing, all causes of action and attorneys' fees and any other expenses incurred in defending any suits or actions which may arise as a result of any of the foregoing. If, for any reason, the Applicant fails to conclude or consummate necessary negotiations, or fails, within a reasonable or specified period of time, to take reasonable, proper or requested action, or withdraws, abandons, cancels or neglects

the Application, or if the Agency or the Applicant are unable to reach final agreement with respect to the Project, then, and in the event, upon presentation of an invoice itemizing the same, the Applicant shall pay to the Agency, its agents or assigns, all costs incurred by the Agency in the processing of the Application, including attorneys' fees, if any.

5. The applicant acknowledges that the OCIDA has disclosed that the actions and activities of the OCIDA are subject to the Public Authorities Accountability Act signed into law January 13, 2006 as Chapter 766 of the 2005 Laws of the State of New York.

The Applicant and the individual executing this Application on behalf of the Applicant acknowledge that the Agency will rely on the representations made herein when acting on this Application and hereby represent that the statements made herein do not contain any untrue statement of a material fact and do not omit to state a material fact necessary to make the statements contained herein not misleading.

Family Dollar Services, Inc.  
(Applicant)

By: 

Name: Steve Burt

Title: VP - Treasurer

Date: 4/26/12

If the application has been completed by or in part by other than the person signing this application for the applicant please indicate who and in what capacity:

By: 

Name: Tom Wood

Title: Director, Tax

Date: 4/26/12

Return the original and sixteen copies of the application with a check in the amount of \$1500.00 made payable to: **Oneida County Industrial Development Agency**, 584 Phoenix Drive, Rome, New York 13441-1405, Attn.: Shawna M. Papale, Executive Director.

## **Agency Fee Schedule**

Commitment Fee: \$1,000 – due following the initial inducement but prior to scheduling of the public hearing; this amount is non-refundable if the applicant fails to close on the project before the IDA. Upon closing with the IDA this amount is applied to the legal closing fees.

Bond Fees:                    ½ of 1% of total bond amount

IDA Agency Fee: PILOT, Mortgage Recording Exemption, Sales Tax Exemption:

- Up to a \$1.0 Million project - \$5,000
- Above \$1.0 Million project up to \$10.0 Million project – ½ of 1% of total project cost.
- Above \$10.0 Million project – ½ of 1% of total project cost up to \$10.0 Million plus incremental increase of ¼ of 1% of total project above \$10.0 Million.

Agency Counsel fee:

Set by Bond/Transaction Counsel based upon the nature and complexity of the transaction. This applies to bond and non-bond transactions (leasebacks, sale-leasebacks, etc).

Agency Counsel fees in Bond and non bond transactions will not normally exceed the greater of (a) 2% of the Bond amount or project costs or (b) a minimum is in customary transactions \$8,500 to \$10,000.

Annual Fee:

For the term in which the property remains in the IDA's name, an annual lease payment is due in the amount of \$500. The first payment is due at closing. This amount is due on the anniversary date of the first date of the month in which the IDA documents were executed. For annual fees not paid and delinquent, a late charge of \$50 per month will be levied until such time the fee plus late charges are paid.

Other fees:

For an IDA property which requires follow up action – a 1/8 of one percent of the total reissuance, redemption, new or revised mortgage, refinancing, spreading agreement or other transaction requiring action of the IDA shall be 1/8 of one percent of total project amount for a minimum payment to the IDA of \$500.

## Business / Project Description

### BACKGROUND

Family Dollar Stores, Inc. (the "Company") is one of the fastest growing discount store chains in the United States. The Company was founded in 1959 and is listed on the New York Stock Exchange (Ticker Symbol "FDO"). Family Dollar currently owns and operates over 7200 general merchandise retail discount stores located in a contiguous 45-state area ranging northeast to Maine, southeast to Florida, as far northwest as Idaho and west to California. The Company serves primarily low- and middle-income consumers with a selection of competitively priced merchandise in convenient neighborhood stores. The store merchandise assortment includes Consumables, Home Products, Apparel and Accessories, and Seasonal and Electronics. Most merchandise sells at prices that range from less than \$1 to \$10.

A Family Dollar store is typically between 7,500 and 9,500 square feet, with an average of approximately 7,100 square feet of selling space. The stores generally serve customers who live within three to five miles of the store. The relatively small size of a Family Dollar store allows the Company to select store locations that provide neighborhood convenience to customers. Family Dollar stores are generally open seven days a week and operate between the hours of 8:00 a.m. and 9:00 p.m.

The number of Family Dollar stores and the small size of each store requires numerous distribution centers operating at peak efficiency. The Company owns, and operates, ten distribution centers throughout the country located in North Carolina, Arkansas, Virginia, Kentucky, Oklahoma, Iowa, Texas, Florida, Indiana, and New York.

### CURRENT PROJECT

Family Dollar Services, Inc. ("FD Services"), a wholly owned distribution subsidiary of Family Dollar Stores, Inc. began operating a 907,000 square foot distribution facility in Rome, NY starting in 2006. FD Services spent \$65.2 million constructing the facility and an additional \$4.1 million of capital expenditures since construction was completed. The expenditures include land, building construction, forklifts, computers, and a sophisticated network of conveyors and racking. The facility requires 350 full-time employees to operate efficiently. The Company considers each distribution facility to be a critical component of a supply chain required to serve a large number of small retail locations.

This project has created, and will continue to create, indirect opportunities for the local community and local businesses. The Company takes great pride in partnering with the community and being a good corporate citizen. Every distribution facility the Company has constructed is still operating today.

### INCENTIVES

The site selection process for projects such as this distribution facility, are highly competitive. The stability of the company, history of long-term presence, and job creation potential creates significant incentive offers. While incentives don't dictate a final decision, they can play a large part in overcoming operational disadvantages. The largest incentive offered to the Company during the selection process was related to property taxes. The Company expected to incur no property tax liability for the first 10 years in operation (through the use of PILOT agreements and QEZE tax credits). Subsequent to selecting Rome, NY for its distribution facility, legislative changes at the State level effectively reduced a 100% property tax abatement to roughly 66%.

**Family Dollar Stores, Inc.  
Listing of Active Corporation and Other Entities**

Family Dollar Stores of North Carolina, Inc.  
Family Dollar Stores of South Carolina, Inc.  
Family Dollar Stores of Georgia, Inc.  
Family Dollar Stores of Virginia, Inc.  
Family Dollar Stores of Alabama, Inc.  
Family Dollar Stores of West Virginia, Inc.  
Family Dollar Stores of Kentucky, Ltd.  
Family Dollar Stores of Arkansas, Inc.  
Family Dollar Stores of Maryland, Inc.  
Family Dollar Stores of Florida, Inc.  
Family Dollar Stores of Louisiana, Inc.  
Family Dollar Stores of Tennessee, Inc.  
Family Dollar Stores of Mississippi, Inc.  
Family Dollar Stores of Pennsylvania, Inc.  
Family Dollar Stores of Ohio, Inc.  
Family Dollar Stores of Delaware, Inc.  
Family Dollar Stores of Wisconsin, Inc.  
Family Dollar Stores of California, Inc.  
Family Dollar Stores of Indiana, LP.  
Family Dollar Stores of New Jersey, Inc.  
Family Dollar Stores of Massachusetts, Inc.  
Family Dollar Stores of Michigan, Inc.  
Family Dollar Stores of Missouri, Inc.  
Family Dollar Stores of New York, Inc.  
Family Dollar Stores of Oklahoma, Inc.  
Family Dollar Stores of Texas, LLC  
Family Dollar Stores of Connecticut, Inc.  
Family Dollar Stores of Colorado, Inc.  
Family Dollar Stores of Iowa, Inc.  
Family Dollar Stores of South Dakota, Inc.  
Family Dollar Stores of Vermont, Inc.  
Family Dollar Stores of New Mexico, Inc.  
Family Dollar Stores of D.C., Inc.  
Family Dollar Stores of Rhode Island, Inc.  
Family Dollar Services, Inc.  
Family Dollar Distribution, LLC  
Family Dollar Operations, Inc.  
Family Dollar Trucking, Inc.  
Family Dollar Merchandising, LP.  
Family Dollar Stores, Inc.  
Family Dollar Holdings, Inc.  
Family Dollar, Inc.  
Family Dollar Insurance, Inc.

## Attachment 3

Description of Improvements	Initial Estimated Cost
<b>Total Building and Construction Costs</b>	<b>30,000,000</b>
<b>Material Handling Equipment:</b>	
Conveyor System and Overhead Monoveyor	10,600,000
Carton Flow/Pallet Flow Racks	2,400,000
Storage Racks	2,100,000
Mobile Material Handling	1,060,000
Trailers	3,000,000
Batteries	315,000
Chargers	100,000
Battery Changer System	95,000
Pick/Put to Light System	900,000
Radio Frequency Devices	500,000
Yard Switchers	120,000
Transportation Equipment	44,000
Balers	175,000
Plastic Totes	475,000
Portable Stack Racks	380,000
Platform Carts (floats)	125,000
Sweeper/Scrubber	60,000
Maintenance Lifts	80,000
Pallets	100,000
Personnel Carriers	20,000
Trash Containers	25,000
Walkie/Talkie Radios w/accessories	34,000
Other Misc Equipment	25,000
<b>Total Material Handling Equipment</b>	<b>22,733,000</b>
<b>Other Tangible Personal Property:</b>	
Security System	260,000
Data processing equipment	1,320,000
Catalyst WMS Installation	11,000
Maintenance #1 furniture and fixtures	18,000
Maintenance #2 furniture and fixtures	22,000
Repack furniture and fixtures	11,000
Receiving office furniture and fixtures	40,000
Transportation furniture and fixtures	70,000
Other furniture and fixtures	150,000
Phone, Paging, Kronos System	365,000
<b>Tangible Personal Property</b>	<b>2,267,000</b>
<b>Total Machinery and Equipment</b>	<b>25,000,000</b>
<b>Inventory</b>	<b>35,000,000</b>
<b>Supplies</b>	<b>1,000,000</b>
<b>Total Cost of Improvements</b>	<b>91,000,000</b>

Attachment 3



September 6, 2011

**VIA FEDERAL EXPRESS**

Steven J. DiMeo, President  
Mohawk Valley EDGE  
153 Brooks Road  
Rome, New York 13441

**Re: PILOT Agreement dated April 4, 2005 for Family Dollar Distribution Center  
Griffis Business & Technology Park, Rome, New York ("PILOT Agreement")**

Dear Steve:

As you are aware, Family Dollar Services, Inc. ("Family Dollar") has been adversely impacted by the change in the New York State Empire Development Zone Program ("EDZ"), which significantly reduced the reimbursement that both of us expected Family Dollar to receive with respect to the PILOT payments under the captioned PILOT Agreement. The change in the law was made, unbeknownst to Family Dollar, shortly before the time the PILOT Agreement was signed between the parties. Had Family Dollar known of the change to the law, we would most certainly have insisted on a different agreement before proceeding with the Project (as hereinafter defined).

That said, we have spent considerable time and energy exploring methods by which Family Dollar could be made whole within the limitations of the current law. We believe that goal can be accomplished, while at the same time, providing both GLDC and the Taxing Jurisdictions with the same overall level of payments as contemplated by the parties at the time Oneida County Industrial Development Agency ("OCIDA") and Family Dollar entered into the PILOT Agreement.

**BACKGROUND**

The following background is helpful in understanding the specifics of our proposal:

1. Family Dollar built a 907,000 square foot distribution center on approximately 160 acres in the Griffis Business & Technology Park in Rome, New York (the "Park") in 2005 (the "Project"). The Park is managed by Griffis Local Development Corporation ("GLDC"). Family Dollar spent in excess of \$62,000,000 on the distribution center in accordance with agreements with New York agencies.
2. As a part of the Project, GLDC made certain infrastructure and site improvements at a cost of approximately \$6,200,000. GLDC financed the improvements with loans from certain lenders repayable over ten (10) to fifteen (15) years (the "GLDC Loans").

PH1594803 P.O. BOX 1017 • CHARLOTTE, NORTH CAROLINA 28201-1017 • (704) 847-6961



3. Family Dollar entered into the PILOT Agreement with OCIDA providing for payments in lieu of taxes ("PILOT payments") for fifteen (15) years equal to the real estate taxes that would be otherwise assessed against the Project if it were privately owned. The PILOT payments for the last several years have averaged approximately \$2,700,000 per year.

4. New York State General Municipal Law §859(15) requires that industrial development agencies distribute 100% of PILOT payments that they receive pro rata to the taxing jurisdictions where the property is located. The taxing jurisdictions are permitted to alter this requirement by agreement.

5. Accordingly, in March of 2005, the City of Rome, the Rome School District and the County of Oneida, being all the affected taxing jurisdictions (the "Taxing Jurisdictions"), entered into an agreement whereby a portion of the PILOT payments in an amount necessary to service the debt on the GLDC Loans could be paid by OCIDA to GLDC and applied to the debt service on the GLDC Loans. These payments amount to approximately \$842,400 per year.

6. It was anticipated that the PILOT payments made by Family Dollar would be fully reimbursed by New York State under the EDZ. Family Dollar had been certified as a qualified Empire Zone enterprise and the Project is located within an approved Empire Zone.

7. EDZ allows for full reimbursement by New York State of real property taxes under New York State Tax Law §15(b). Prior to 2005, EDZ also provided for reimbursement of payments-in-lieu of taxes subject to a review of the PILOT Agreement by the State. In 2005, legislation was passed placing limits on the amount of PILOT payments that could be reimbursed by the State. (See Laws of 2005 Ch. 61 §21, copy attached). The formula for reimbursement multiplies the "full value tax rate" by the taxpayer's unadjusted federal tax basis in the real property. The product of this equation becomes the maximum amount of reimbursement.

8. The full value tax rate set by New York State for Oneida County for the past several years has been approximately \$36 per thousand, much less than the actual property tax rate of approximately \$55 per thousand. Accordingly, the annual reimbursement paid to Family Dollar by NYS has been approximately \$900,000 less than the actual PILOT payments. The total shortfall in reimbursement to Family Dollar is currently in excess of \$3.6 million and could amount to more than \$13 million over the course of the PILOT Agreement if not remedied. (See attached spreadsheet as Exhibit "A" titled "Status Quo".)

9. The EDZ law does not restrict the amount of reimbursement for real property taxes paid. Accordingly, were the Project to be placed on the tax rolls (and assuming Family Dollar meets the other requirements of the EDZ), Family Dollar would receive 100% reimbursement of the taxes paid to the Taxing Jurisdictions for the balance of EDZ.<sup>3</sup> The issue then becomes how to best service the GLDC Loans and recoup the EDZ reimbursement that Family Dollar has lost for 2006 to 2011.

<sup>3</sup> The Governor has, by executive order, placed a hold on all State reimbursement programs exceeding \$2,000,000.00. The payments will be deferred out, but eventually fully reimbursed.

## **PROPOSAL**

Family Dollar proposes an amendment to the PILOT Agreement ("Amended PILOT") in these respects:

1. The Project would be returned to the tax rolls through year ten (10).
2. Family Dollar would make direct payments of GLDC Loans in accordance with the lenders' regularly scheduled debt payments.
3. The Project would return to the tax exempt status in year eleven (11). The PILOT payments would be reduced to zero until Family Dollar recoups the amount paid for the GLDC Loans and the amount of the PILOT payments made by Family Dollar that New York State did not fully refund. The GLDC Loan payments and the amount of the PILOT payments not reimbursed by New York State are estimated to be approximately \$7.1 million (see "Due From NY - cumulative" on Exhibit "B" titled "Proposal"). Family Dollar would have fully paid most of the GLDC Loan amount including interest by year ten (10). In order for OCIDA to fulfill the economic terms of the original PILOT Agreement, Family Dollar would have to be reimbursed all of its property taxes by the Taxing Jurisdictions paid over the next six (6) to seven (7) years beginning with year eleven (11) under the Amended PILOT.
4. Some fine tuning would be required to account for items such as the Empire Zone reimbursement otherwise due in years eleven (11) through the end of the Amended PILOT, tax rates, changes in the interest rates, etc.<sup>2</sup>

The attached spreadsheet attached as Exhibit "B" titled "Proposal" details the payments under Family Dollar's proposal.

## **BENEFITS**

As a result of Family Dollar paying real property taxes to the Taxing Jurisdictions through year ten (10), Family Dollar will:

1. Receive a reimbursement of all of its property taxes through the EDZ.
2. Achieve the original intent of the PILOT Agreement by receiving a full reimbursement of property taxes through year ten (10).

<sup>2</sup> EDZ's reimbursement in year eleven (11) is 10% and decreases 30% per year thereafter. New York State Tax Law §15(b)(2).

3. Finish paying the GLDC Loans, as a separate obligation, which means that Family Dollar will, by the same token, be fronting \$900,000 more per year over the original PILOT payment.

**CONCLUSION**

The PILOT Agreement should be amended to move the Project back off the tax rolls in year eleven (11) and return to PILOT payments with the PILOT Agreement extended for the length of time necessary to make Family Dollar whole. Family Dollar could be reimbursed its shortfall by providing for a reduced payment PILOT in those years. The Taxing Jurisdictions would have already been made whole because of the windfall received in the first ten (10) years and Family Dollar would recoup the payments it had made for GLDC Loans.

We believe this proposal is fair for all of the parties. The Taxing Jurisdictions would receive the same amount of revenue over the period in question and GLDC would receive payment in full for GLDC Loans. Family Dollar would incur additional costs due to the time value of money since it would not be made whole for several years out. It is willing to incur those costs, however, if the problem can be remedied in this fashion.

The foregoing proposal would be implemented through an amended PILOT Agreement, between Family Dollar and OCIDA, with the agreement and approval of GLDC and the Taxing Jurisdictions. Please let me know if such an agreement would be acceptable to you.

**FAMILY DOLLAR SERVICES, INC.**

By:   
David R. Styka  
Vice President - Finance

RWC/rd  
Enc.



PROJECT I.D. NUMBER

617.21  
**Appendix C**  
 State Environmental Quality Review  
**SHORT ENVIRONMENTAL ASSESSMENT FORM**  
 For UNLISTED ACTIONS Only

**PART I - PROJECT INFORMATION** (To be completed by Applicant or Project sponsor)

1. APPLICANT/SPONSOR Family Dollar Services, Inc	2. PROJECT NAME
3. PROJECT LOCATION: Municipality Rome County Oneida	
4. PRECISE LOCATION (Street address and road intersections, prominent landmarks, etc., or provide map) 640 Perimeter Rd. Rome, NY 13441 Griffiss Business & Technology Park	
5. IS PROPOSED ACTION: <input type="checkbox"/> New <input type="checkbox"/> Expansion <input checked="" type="checkbox"/> Modification	
6. DESCRIBE PROJECT BRIEFLY: Family Dollar Services, Inc. operates a distribution facility which was constructed by the Company in May of 2006.	
7. AMOUNT OF LAND AFFECTED: Initially acres 86.69 Ultimately	
8. WILL PROPOSED ACTION COMPLY WITH EXISTING ZONING OR OTHER EXISTING LAND USE RESTRICTIONS? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No    If No, describe briefly Contingent upon release of Section VII C.3.(a) and (d) of the Quit Claim deed dated 7/20/01	
9. WHAT IS PRESENT LAND USE IN VICINITY OF PROJECT? <input type="checkbox"/> Residential <input checked="" type="checkbox"/> Industrial <input checked="" type="checkbox"/> Commercial <input type="checkbox"/> Agriculture <input type="checkbox"/> Park/Forest/Open space <input type="checkbox"/> Other Describe:	
10. Does Action Involve A Permit Approval, Or Funding, Now Or Ultimately From Any Other Governmental Agency (Federal, State Or Local)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No    If Yes, List Agency Name And Permit/Approval Building And Occupancy Permit From With applicable SEQR review and permit	
11. DOES ANY ASPECT OF THE ACTION HAVE A CURRENTLY VALID PERMIT OR APPROVAL? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No    If yes, list agency name and permit/approval	
12. AS A RESULT OF PROPOSED ACTION WILL EXISTING PERMIT/APPROVAL REQUIRE MODIFICATION? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TRUE TO THE BEST OF MY KNOWLEDGE	
Application/sponsor Name: <u>Family Dollar Services, Inc</u> Date: <u>4/26/12</u> Signature: _____	

**If the action is in the Coastal Area, and you are a state agency, complete the Coastal Assessment Form before proceeding with this assessment**

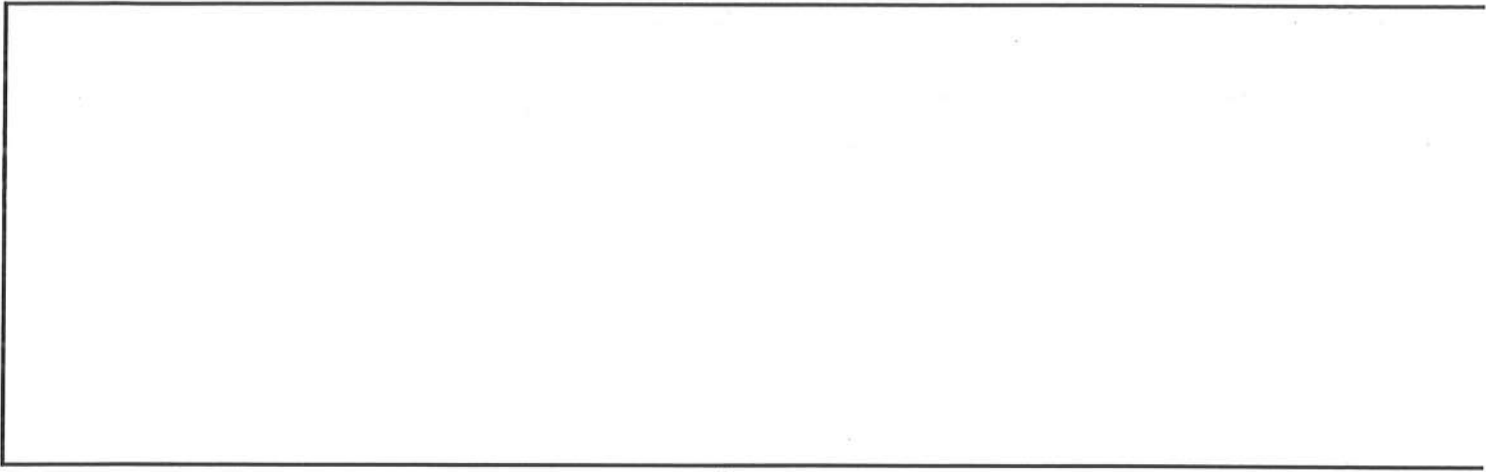
**PART II – ENVIRONMENTAL ASSESSMENT (To be completed by Agency)**

<p>A. DOES ACTION EXCEED ANY TYPE I THRESHOLD IN 6 NYCRR, PART 617.12? If yes, coordinate the review process and use the FULL EAF.  <input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p>
<p>B. WILL ACTION RECEIVE COORDINATED REVIEW AS PROVIDED FOR UNLISTED ACTION IN 6 NYCRR, PART 617.6? If No, a negative declaration may be superseded by another involved agency.  <input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p>
<p>C. COULD ACTION RESULT IN ANY ADVERSE EFFECTS ASSOCIATED WITH THE FOLLOWING: (Answers may be handwritten, if legible)</p> <p>C1. Existing air quality, surface or groundwater quality or quantity, noise levels, existing traffic patterns, solid waste production or disposal, potential for erosion, drainage or flooding problems? Explain briefly:  <b>None</b></p> <p>C2. Aesthetic, agricultural, archaeological, historic, or other natural or cultural resources; or community or neighborhood character? Explain briefly:  <b>None</b></p> <p>C3. Vegetation or fauna, fish, shellfish or wildlife species, significant habitats, or threatened or endangered species? Explain briefly:  <b>None</b></p> <p>C4. A community's existing plans or goals as officially adopted, or a change in use or intensity of use of land or other natural resources? Explain Briefly:  <b>None</b></p> <p>C5. Growth, subsequent development, or related activities likely to be induced by the proposed action? Explain briefly:  <b>None</b></p> <p>C6. Long term, short term, cumulative, or other effects not identified in C1-5? Explain briefly:  <b>None</b></p> <p>C7. Other impacts (including changes in use of either quantify or type of energy)? Explain briefly:  <b>None</b></p>
<p>D. WILL THE PROJECT HAVE AN IMPACT ON THE ENVIRONMENTAL CHARACTERISTICS THAT CAUSED THE ESTABLISHMENT OF A CEA?  <input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p>
<p>E. IS THERE, OR IS THERE LIKELY TO BE, CONTROVERSY RELATED TO POTENTIAL ADVERSE ENVIRONMENTAL IMPACTS?  <input type="checkbox"/> Yes      <input checked="" type="checkbox"/> No</p>

**PART III – DETERMINATION OF SIGNIFICANCE (To be completed by Agency)**

**INSTRUCTIONS:** For each adverse effect identified above, determine whether it is substantial, large, important or otherwise significant. Each effect should be assessed in connection with its (a) setting (i.e. urban or rural); (b) probably of occurring; (c) duration; (d) irreversibility; (e) geographic scope; and (f) magnitude. If necessary, add attachments or reference materials. Ensure that explanations contain sufficient detail to show that all relevant adverse impacts have been identified and adequately addressed.

<p><input type="checkbox"/> Check this box if you have identified one or more potentially large or significant adverse impacts which <b>MAY</b> occur. Then proceed directly to the <b>FULL EAF</b> and/or prepare a positive declaration.</p> <p><input checked="" type="checkbox"/> Check this box if you have determined, based on the information and analysis above and any supporting documentation, that the proposed action <b>WILL NOT</b> result in any significant adverse environmental impact <b>AND</b> provide on attachments as necessary, the reasons supporting this determination:</p>				
<p>_____</p> <p>Name of Lead Agency</p>				
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; padding: 5px;"> <p>_____</p> <p>Print or Type Name of Responsible Officer in Lead Agency</p> </td> <td style="width: 50%; padding: 5px;"> <p>_____</p> <p>Title of Responsible Officer</p> </td> </tr> <tr> <td style="padding: 5px;"> <p>_____</p> <p>Signature of Responsible Officer in Lead Agency</p> </td> <td style="padding: 5px;"> <p>_____</p> <p>Signature of Prepared (If different from responsible officer)</p> </td> </tr> </table>	<p>_____</p> <p>Print or Type Name of Responsible Officer in Lead Agency</p>	<p>_____</p> <p>Title of Responsible Officer</p>	<p>_____</p> <p>Signature of Responsible Officer in Lead Agency</p>	<p>_____</p> <p>Signature of Prepared (If different from responsible officer)</p>
<p>_____</p> <p>Print or Type Name of Responsible Officer in Lead Agency</p>	<p>_____</p> <p>Title of Responsible Officer</p>			
<p>_____</p> <p>Signature of Responsible Officer in Lead Agency</p>	<p>_____</p> <p>Signature of Prepared (If different from responsible officer)</p>			
<p>_____</p> <p>Date</p>				







**TYPES OF BENEFITS RECEIVED:**

- Taxable Financing
- Tax-Exempt Bonds
- Sales Tax Until Completion Date
- Mortgage Tax Abatement
- Real Property Tax Abatement

**PROJECT COSTS – CAPITAL INVESTMENT**

Land	<u>609,282</u>	Cost per Acre _____
Existing Building	_____	
Rehab of Existing Building	_____	
Construction of New Building	<u>39,216,044</u>	Cost per Sq Ft. _____
Addition or Expansion	_____	Cost per Sq Ft. _____
Engineering and Architectural Fees	_____	
Equipment	<u>25,408,170</u>	Cost per Sq Ft. _____
Legal Fees		
Bank, Bond, Transaction, Company,		
Credit Provider, Trustee	_____	
Finance Charges		
Title Insurance, Environmental		
Review, Bank Commitment Fee,		
Appraisals, etc.	_____	
Agency Fee	_____	
<b>TOTAL COST OF PROJECT</b>	<b><u>65,233,496</u></b>	

Job Revolving Fund Loan \_\_\_\_\_  
Other Grants or Loans \_\_\_\_\_

**COMPANY INFORMATION**

Existing Jobs                    350  
Created Jobs (Year 3)                     
Retained Jobs                                      

**EARNINGS INFORMATION**

County Spec Average Direct Jobs    \$                     
County Spec Average Indirect Jobs    \$                     
County Spec Average Construction Jobs \$                   

**MULTIPLIER INFORMATION**

Indirect Job Rate 2.5  
Sales Tax Rate (8.5%)  
Mortgage Tax Rate (1%)

Assumed Real Property Tax Rate Per Thousand for Municipality where project is located:                   

Assumed Real Property Assessment of facility where IDA assistance is being sought:                   

Assumed NYS Income Tax rate on earnings 4.25%:                   

**Note:** \$1,000,000 in construction expenditures generates 15 person – years of employment

**CALCULATION OF BENEFITS (3 – YEAR PERIOD)**

**NYS PERSONAL INCOME TAX RECEIVED**

	<u>Total Earnings</u>	<u>Revenues</u>
Direct Jobs		
Created	<u>                  </u>	<u>                  </u>
Existing	<u>                  </u>	<u>                  </u>
Indirect Jobs		
Created	<u>                  </u>	<u>                  </u>
Existing	<u>                  </u>	<u>                  </u>
Construction Person Years	<u>                  </u>	<u>                  </u>
<b>TOTALS</b>	<u>                  </u>	<u>                  </u>

**TAXABLE GOODS AND SERVICES**

	<u>Spending Rate</u>	<u>Expenditures</u>	<u>State and Local Sales Tax Revenues</u> <small>(Expenditure Column x .0825)</small>
<b>Direct Jobs</b>			
Created <small>(total earnings for direct jobs created x .36)</small>	36.0%	_____	_____
Existing <small>(total earnings for direct jobs existing x .36)</small>	36.0%	_____	_____
<b>Indirect Jobs</b>			
Created <small>(total earnings for indirect jobs created x .36)</small>	36.0%	_____	_____
Existing <small>(total earnings for indirect jobs existing x .36)</small>	36.0%	_____	_____
<b>Construction</b>			
Person yrs. <small>(total earnings for construction person yrs. x .36)</small>	36.0%	_____	_____
<b>Totals</b>	_____	_____	_____

Local (3 year) real property tax benefit (assuming \_\_\_\_\_% of jobs existing and created own a residence) with an average assessment of \$\_\_\_\_\_ and the remainder of jobs existing created pay real property taxes through rent based on an average assessment per apartment of \$\_\_\_\_\_.

Real Property Taxes Paid \$\_\_\_\_\_

**COSTS**

Real Property Taxes Abated on Improvements  
Only (3-year period) \$\_\_\_\_\_

Mortgage Tax Abated \$\_\_\_\_\_

Estimated Sales Tax Abated During Construction Period  
\$\_\_\_\_\_

**NOTE:** If there is a tax-exempt financing of all or a portion of the project cost, there is a neutral cost/benefit because of lower interest rates by reason of exclusion of interest from gross income of bondholders for purposes of Federal and State income taxes. Taxable financing carries the same cost/benefit for State Income Tax purposes. Such cost/benefits cannot be quantified.

ANTHONY R. CARVELLI  
COMMISSIONER

ONEIDA COUNTY

ANTHONY J. PICENTE JR.  
COUNTY EXECUTIVE



DEPARTMENT OF FINANCE

County Office Building ♦ 800 Park Avenue ♦ Utica, New York 13501  
(315) 798-5750 ♦ Fax: (315) 735-8371 ♦ www.ocgov.net

January 6, 2012

PILOT #122

Mr. Steven J. DiMeo, President  
Mohawk Valley EDGE  
153 Brooks Road  
Rome, New York 13441

Dear Steve:

The following is the information pertaining to the 2012 County PILOT bill (year 7) for Family Dollar Distribution Center.

Parcel I.D. Number: 1301 244.000-3-3.2  
Tax Rate: 9.184961  
Percentage Due: 100%  
Assessment: 50,056,000  
Amount Due: \$459,762.41

Payment is due on or before January 31, 2012. Please contact me should you have any questions regarding this matter.

Very truly yours,

  
Anthony Carvelli  
Commissioner of Finance

*AC/mlk*

RECEIVED  
JAN 17 2012

AC/mlk  
cc: File

**ROME CITY SCHOOL DISTRICT**

409 Bell Road  
Rome, New York 13440



**DIANE A. DELUDE**  
**DISTRICT TREASURER**

Telephone (315) 338-6561  
ddelude@romecsd.org

Fax: (315) 334-4083

October 17, 2011

Shawna Papale  
Senior Vice President  
Mohawk Valley Edge  
584 Phoenix Drive  
Rome, New York 13441

To Whom It May Concern:

The current PILOT payment calculation for Family Dollar for 2011-12 School Taxes is:

Assessed Valuation	50,056,000
Current School Tax Rate	<u>28.23</u>
Total Tax Due	\$1,413,080.88

*1.08% increase*  
*[Signature]*

Payment is due within 30 days.

Please make check payable to the **Rome City School District**.

Sincerely,



Diane A. DeLude  
District Treasurer

JOSEPH R FUSCO, JR  
Mayor



JOHN C NOLAN  
City Treasurer  
(315) 339-7678

PASQUALE A. LISANDRELLI  
Deputy Treasurer  
(315) 339-7680

OFFICE OF THE CITY TREASURER  
ROME CITY HALL, 198 N. WASHINGTON STREET  
ROME, NEW YORK 13440-5815  
Fax: (315) 838-1165  
www.rome-ny.gov

January 4, 2012

Oneida County Industrial Development Agency  
ATTN: Shawna Papale, Executive Director  
584 Phoenix Drive  
Rome, NY 13441-4105

Dear Ms. Papale:

Re: Family Dollar Services, Inc.

The following in lieu of tax payment is due the City of Rome for the year 2012:

<u>Tax Map #</u>	<u>Assessment</u>	<u>Tax Rate</u>	<u>%Due</u>	<u>Amount Due</u>
244.000-0003-003.002	\$ 50,056,000.00	19.97	100%	\$ 499,691.53

Total Due By April 30, 2012	\$ 499,691.53
-----------------------------	---------------

<u>Tax Map #</u>	<u>Assessment</u>	<u>Tax Rate</u>	<u>%Due</u>	<u>Amount Due</u>
244.000-0003-003.002	\$ 50,056,000.00	19.97	100%	\$ 499,691.53

Total Due By October 31, 2012	\$ 499,691.53
-------------------------------	---------------

Year 2006 - 2015 100% of total amount due per agreement.

Year 2016 - 2020 2/3 of total amount due per agreement.

Year 2021 - 100% to the extent that this agreement is still in effect.

**PLEASE MAKE CHECK PAYABLE TO THE CITY TREASURER.**

**PLEASE PAY ATTENTION AND DO NOT COMBINE WITH ANY OTHER TAX PAYMENTS.**

If you have any questions please call me at 339-7688 .

Sincerely,

Dianne Schink  
City Accountant  
Treasurer's Office

RECEIVED JAN 08 2012